

Message Text

PAGE 01 STATE 020202

70

ORIGIN EA-10

INFO OCT-01 EUR-12 ISO-00 PCH-02 DOTE-00 SSO-00 PA-02

PRS-01 USIA-15 INR-07 AID-05 DPW-01 SS-15 CG-00 H-02

IO-10 EB-07 L-02 CCO-00 /092 R

DRAFTED BY EA/P:STAFF:PP

APPROVED BY EA/P:MSMITH

----- 071942

R 282306Z JAN 75

FM SECSTATE WASHDC

TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

TREAS

AMEMBASSY MOSCOW

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

INFO USSAGE NKP

CINCPAC

COGARD

AMEMBASSY BUDAPEST BY POUCH

XMT AMEMBASSY SUVA

UNCLAS STATE 020202

COGARD FOR POLAD

E.O. 11652: N/A

TAGS: PFOR, XC, US

SUBJECT: JANUARY 28 EA PRESS SUMMARY

1. INDOCHINA

WP'S DANIELS REPORTS ABOUT 1200 GATHERED AT CAPITOL
MONDAY TO MARK SECOND ANNIVERSARY OF C-F AND SHOW
UNCLASSIFIED

PAGE 02 STATE 020202

CONTINUED CONCERN. TWO GROUPS, AD HOC ASSEMBLY TO
SAVE THE PEACE AGREEMENT AND NATL LEAGUE OF FAMILIES,
CAME TO WASHINGTON OVER WEEKEND TO URGE TERMS OF C-F
BE FOLLOWED. DANIELS TELLS STORY OF EX-POW WHO JOINED

NOON ASSEMBLY RALLY ON CAPITOL'S EAST STEPS, DECLARED HE OPPOSES INCREASED AID TO SVN AND CAMBODIA. ASSEMBLY URGED CONGRESS VOTE DOWN EXTRA AID, WAS ADDRESSED BY SEVERAL CONGRESSMEN, INCLUDING REP DRINAN.

DANIELS QUOTES MIA WIFE THAT DOS HAS NOT HELPED HER DETERMINE IF HUSBAND IS ALIVE, WHILE LEAGUE CHARGED PRES AND SECSTATE HAVE "TURNED THEIR BACKS" ON MIAS. LEAGUE HELD PRESS CONFERENCE IN CAPITOL WHERE THEY WERE ADDRESSED BY SEVERAL LEGISLATORS, INCLUDING SENS KENNEDY AND DOLE. LATTER SAID HE WOULD INTRODUCE RESOLUTION SEEKING TO ESTABLISH TASK FORCE TO INVESTIGATE MIA PLIGHT.

DESPITE COMMON GENERAL GOAL, DANIELS NOTES LEADERS OF BOTH PROTEST GROUPS, WHICH ENDED WEEKEND ACTIVITIES MONDAY, SAID DIFFERENT EMPHASIS PLACED ON PARTS OF C-F MADE FORMAL ALLIANCE IMPOSSIBLE. NOTES GROUP OF 150 SUPPORTING MIL AID TO SVN ALSO STAGED NOON RALLY ON ANOTHER PART OF CAPITOL STEPS; POLICE SAID MANY WERE FOLLOWERS OF REV SUN MYUNG MOON. SEN THURMOND WAS ONE OF SPEAKERS WHO ADDRESSED THIS GROUP.

GWERTZMAN (NYT) MENTIONS ASSEMBLY RALLY AND NATL LEAGUE MEETING. QUOTES SEN MCGOVERN THAT "FORD'S WAR" WRONG AS "NIXON'S WAR" AND "JOHNSON'S WAR." PHINQ WIRE SERVICES SAY ANTIWAR DEMONSTRATORS EXPRESSED CONFIDENCE THEY COULD DEFEAT ADMIN REQUESTS FOR EMERGENCY INDOCHINA AID.

WERMIEL (GLOBE 1/26) NOTES BLEAK REPORT ON CONDITION OF REFUGEES IN SVN AND CAMBODIA PUT OUT BY KENNEDY SUBCOMMITTEE. REPORT CALLS FOR END TO US MIL AID SINCE US THROUGH AID IS "FUELING THE WAR," AND URGES IMMEDIATE TRUCE IN SVN. IN SEPARATE STATEMENT, KENNEDY SAID HE WOULD OPPOSE MIL AID SPECIAL REQUEST, ACCUSED PRES OF "NEGATIVE POLICIES" IN INDOCHINA. WERMIEL POINTS OUT KENNEDY UNCLASSIFIED

PAGE 03 STATE 020202

IS NOT ONLY MASS DEMOCRAT GEARING UP FOR EXPECTED BATTLE IN CONGRESS; REP HARRINGTON ASKED HOUSE COLLEAGUES JOIN IN LETTER TO SECSTATE OPPOSING SPECIAL APPROPRIATIONS REQUEST AND ACCUSING ADMIN OF VIOLATING C-F BAN ON RECON FLIGHTS. DRINAN WILL FILE COURT SUIT THIS WEEK TO RESTRAIN "US MILITARY AND PARAMILITARY ACTIVITIES IN CAMBODIA"; SUIT ALLEGES COMBAT SUPPORT, RECON, SPOTTING TARGETS, AND LEVEL OF US MIL PERSONNEL IN CAMBODIA IN EXCESS OF CONGRESSIONAL LIMITS. SO FAR, REPS ROSENTHAL AND HECHLER SUPPORT DRINAN SUIT EFFORT.

WINTERS (SUN) SAYS SEN JACKSON, IN EFFORT TO MODIFY REPUTATION AS VN HAWK, TOLD LA AUDIENCE MONDAY

"THERE HAS TO BE A LIMIT" ON AID TO SVN, AND THAT HE WILL VOTE AGAINST GIVING GVN 300 MILLION MORE. ASSERTS THERE NO DOUBT WH WAS ON JACKSON'S MIND ON CALIFORNIA TRIP. NOTES AT PRESS CONFERENCE SEN DENIED ANY INCONSISTENCY IN HIS VIEWS THAT SVN AID BE CUT WHILE ISRAEL SHOULD RECEIVE ALL MIL SUPPORT IT SEEKS; SAID ME ENTIRELY DIFFERENT FROM SEA BECAUSE "ISRAELIS HAVE THE ABILITY TO DEFEND THEMSELVES." CHITRIB SAYS JACKSON AT DINNER DECLARED HE WOULD VOTE AGAINST SENDING MORE MONEY "INTO A BOTTOMLESS PIT" IN SEA; NOTES HE "STOPPED JUST SHORT" OF DECLARING CANDIDACY.

SEN BROOKE, AT MONDAY SYMPOSIUM COINCIDING WITH C-F ANNIVERSARY, SAYS OPPOSESPRES' REQUEST FOR 300 MILLION DOLS IN EMERGENCY AID TO SVN, AND IS "UNDECIDED" ABOUT 220 MILLION REQUEST FOR CAMBODIA. ADDED HE IS "QUITE CONCERNED ABOUT THE QUESTION OF OUR MORAL OBLIGATION" IN INDOCHINA. KENNEDY ALSO ADDRESSED SYMPOSIUM, MADE UP OF ABOUT 100 MASS RESIDENTS, AND REPEATED OPPOSITION TO SPECIAL APPROPRIATION FOR SVN AND CAMBODIA; SAID HE WILL CONTINUE TO WORK WITH ADMIN FOR HUMANITARIAN AID (GLOBE).

FORMER SEN MCCARTHY AT NATL PRESS BLDG INTERVIEW SUNDAY SAID NIXON AND HAK DID NOT END VN WAR SINCE THEY WORKED OUT NO POLITICAL SETTLEMENT BUT SIMPLY WITHDREW TROOPS (UPI, BALTO N-A 1/27).

UNCLASSIFIED

PAGE 04 STATE 020202

CBS RADIO (JAN 28) QUOTES SEN BYRD (WVA) THAT "ALMOST IMPOSSIBLE" FOR 300 MILLION DOL VIET AID TO PASS CONGRESS, AND THAT HE IS PERSONALLY OPPOSED TO IT.

NYT'S GWERTZMAN NOTES DOS MARKED SECOND C-F ANNIVERSARY WITH PLEDGE THAT US WILL CONTINUE SUPPORT GVN WITH MIL AND ECON AID. QUOTES SPOKESMAN ANDERSON THAT ANNIVERSARY "MARKED BY AN ESCALATION OF NORTH VIETNAMESE MILITARY PRESSURE" AND THAT US WILL WORK IN SUPPORT OF C-F OBJECTIVES AND AID GVN "SO THEY CAN DEFEND THEMSELVES." ASKED WHETHER SAIGON HAS VIOLATED C-F, ANDERSON SUGGESTED QUESTION BE POSED TO GVN. ALSO SAID HE KNEW OF NO NEW DIPLOMATIC APPROACH BY US TO REVIVE C-F, BUT US WOULD SUPPORT SAIGON'S CALL FOR NEGOTIATIONS WITH VC TO RESUME IN PARIS.

LE DUC THO, ON NVN TV TO MARK C-F SECOND ANNIVERSARY MONDAY, CHARGED FORD ADMIN WITH "GIVING A NEW PATH TO THE WAR" BY URGING ADDITIONAL MIL AID FOR SVN. ADDED THAT ADMIN IS TRYING TO INTIMIDATE "VIETNAMESE PEOPLE" THROUGH MIL AID, NAVY TO SVN WATERS AND PUTTING

OKINAWA-STATIONED US TROOPS ON ALERT (AP, NYT). THO SAID THREATS ARE OF NO AVAIL AND THIEU MUST BE OVERTHROWN BECAUSE HE "SCRAPPED" C-F (AP, NYDN; PHINQ). THO CALLED ON US TO END SUPPORT OF THIEU, SAID GVN AID WOULD MEAN CONTINUATION OF WAR ON POLITICAL, MILITARY, DIPLOMATIC FRONTS TO COMPEL C-F IMPLEMENTATION. NOTED PRESENT SITUATION IS UNFAVORABLE TO US AND GVN, IN APPARENT REFERENCE TO US INTERNAL PROBLEMS OF UNEMPLOYMENT AND INFLATION, AND RECENT GVN MIL SETBACKS (AP, SUN).

IN INTERVIEW WITH JAPANESE COMMUNIST PARTY JOURNAL, THO REPEATED THAT US MUST STOP MIL INTERVENTION IN SVN AND "WITHDRAW MILITARY PERSONNEL WHO ARE DISGUISED AS CIVILIANS." ADDED THAT THIEU REGIME MUST BE REPLACED BECAUSE IT IS "OBSTRUCTION" TO SETTLEMENT OF INTERNAL PROBLEMS.

PRAVDA MADE CALL SIMILAR TO THO'S; CRITICIZED US FOR UNCLASSIFIED

PAGE 05 STATE 020202

SHIPPING MUNITIONS TO SAIGON (WP). PRAVDA SAW "DEFINITE PROGRESS IN THE NORMALIZATION" OF SITUATION IN SVN ACHIEVED SINCE C-F (UPI, GLOBE).

WIFE OF US OILMAN SLAIN IN SAIGON HOME, ACCORDING AMERICAN SOURCES. ABOUT 1000 DOLS IN SILVERWARE MISSING FROM HOUSE (WP).

COMMUNIST-LED ATTACKS IN SVN MARK C-F ANNIVERSARY (WP; UPI GLOBE, CHITRIB). SEVEN ROCKETS FIRED AT BIEN HOA AIR BASE BUT MISS, ACCORDING GVN COMMAND. HEAVIEST ATTACK WAS ARTILLERY BARRAGE AND ROCKET FIRE AGAINST TEN GVN POSTS IN COASTAL QUANG NGAI PROVINCE. SVN SPOKESMAN SAID SKIRMISHES IN FOUR DELTA PROVINCES LEFT 27 COMMUNISTS DEAD (UPI, GLOBE). SAIGON COMMAND REPORTED CLASHES ALONG KHMER BORDER 55 MILES WEST OF SAIGON KILLED 41 NVA AND SIX ARVN (PHINQ; AP, SUN). US OFFICIALS IN WASHINGTON REPORT NEARLY ONE-THIRD OF VNAF GROUNDED BECAUSE OF FUEL SHORTAGES (WP). SVN MIL SOURCES SAID NVA HAS INTRODUCED IMPROVED VERSION OF SA-7 HEAT-SEEKING AA MISSILE THAT HAS GREATER RANGE, THOUGH CAN STILL BE EVADED IF PILOT SPOTS IT JUST AFTER FIRING (CSM).

GVN STAGED NO CELEBRATION TO MARK C-F ANNIVERSARY, BUT ISSUED COMMUNIQUE GIVING NUMBER OF CASUALTIES FOR BOTH SIDES SINCE ACCORDS AND STATING COMMUNISTS HAVE VIOLATED C-F AVERAGE OF 100 TIMES DAILY IN THAT PERIOD (UPI, GLOBE).

US OFFICIALS TELL GKR WE DO NOT WANT TO BEGIN BERLIN-

STYLE AIRLIFT TO HELP PP BECAUSE OF DANGER TO AIRCREWS (UPI NYDN, CHITRIB; PHINQ). US OFFICIALS SAY GKR SHOULD LAUNCH OFFENSIVE TO CLEAR MEKONG BANKS, BUT FANK STATES IT HAS NEITHER MEN NOR RESOURCES NECESSARY (UPI NYDN, GLOBE). GKR OFFICIALS BELIEVE PP FOOD SUPPLY SITUATION WILL BECOME CRITICAL WITHIN TWO WEEKS AT MOST (UPI, GLOBE). REBELS BLEW UP TANKS CONTAINING 70,000 GALLONS OF GASOLINE AT KOMPONG SOM (UPI, NYDN).

UNCLASSIFIED

PAGE 06 STATE 020202

WP'S GREENWAY IN PP DESCRIBES BATTERED CONVOY THAT BROUGHT PP GAS AND AMMO, BUT NO FOOD. BELIEVES CITY'S AIRPORT IS NEITHER LARGE ENOUGH NOR WELL ENOUGH EQUIPPED TO HANDLE SIZABLE AIRLIFT, AND PRESENT CARGO FLIGHTS SUPPLY ABOUT TEN-PCT OF NEEDS AND HAVE NOT BEEN DISRUPTED SO FAR BY ROCKET ATTACKS. QUOTES DIPLOMATIC SOURCES THAT CREWS OF TUGS HAULING RICE BARGES REFUSED TO MAKE RUN INTO PP. SAYS ESTIMATES OF CAPITAL'S FOOD RESERVES ARE NOT AVAILABLE, BUT ECONOMISTS GUESS THREE TO FOUR WEEKS' SUPPLY ON HAND AT PRESENT CONSUMPTION LEVELS. NOTES DISTRIBUTION IS INADEQUATE AND HOARDING CAUSES HARDSHIP AMONG POOR. STATES GKR SPOKESMAN COULD NEITHER CONFIRM NOR DENY THAT VNAF PLANES FLEW COVER FOR MEKONG CONVOY, NOR COULD DIPLOMATIC CHANNELS.

MANCHESTER GUARDIAN'S WOOLLACOTT IN PP (WP) RECORDS CONVERSATION WITH THREE "JOSEPH CONRAD"-TYPE DRIFTERS AND FORTUNE HUNTERS: SWEDE, NORWEGIAN AND AUSSIE WHO SKIPPER MEKONG CONVOY SHIPS. QUOTES ONE THAT AFTER INSURGENT VICTORIES, CHARTER COMPANY HAD TO PUT IN SOME "ROUND-EYES" OR ELSE CONVOY WOULD NOT GO AT ALL. GIVES DESCRIPTION OF EMBATTLED PASSAGE OF SHIPS. ANOTHER CAPTAIN WONDERS WHY ENEMY DOESN'T USE MINES, "THEN IT WOULD BE FINISH."

2. CHINA

PRC HAS CANCELED CONTRACTS TO BUY 601,000 TONS OF US WHEAT SCHEDULED FOR SHIPMENT BETWEEN FEB-SEPT, COOK INDUSTRIES, INC, MAJOR GRAIN TRADING FIRM, REPORTED MONDAY (WSJ). COOK SAID GRAIN INVOLVED REPRESENTED ALL ITS OUTSTANDING CONTRACTS WITH PEKING AND CONSTITUTED ABOUT TWO-THIRDS TOTAL WHEAT REGISTERED FOR SHIPMENT TO CHINA BETWEEN NOW AND MID-1976.

NYT'S MAIDENBERG REPORTS MOST GRAIN TRADERS APPEARED BAFFLED BY CANCELLATION. SOME THINK PEKING WANTS TO GET OUT OF CONTRACTS MADE EARLY LAST YEAR WHEN WHEAT PRICES WERE ABOVE 5 DOLS PER BUSHEL OF 60 POUNDS; AVERAGE WHEAT PRICES TODAY ARE JUST UNDER

4 DOLS PER BUSHEL. ONE LEADING GRAIN EXPORTER
UNCLASSIFIED

PAGE 07 STATE 020202

SUGGESTS CANCELLATION MAY BE DUE TO PEKING'S CONCERN
ABOUT SMUT DISEASE; ANOTHER THINKS PERHAPS CHINESE
"NOW REALIZE THAT BY STRETCHING OUT THEIR ORDERS AND
WATCHING FOR MARKET DIPS, THEY CAN SAVE CONSIDERABLE
FOREIGN EXCHANGE"; THIRD GRAIN EXPERT BELIEVES
CANCELLATION REFLECTS CALMER ATTITUDE TOWARD FUTURE
WORLD SUPPLIES. BUT ALL GRAIN EXPERTS REACHED FOR

COMMENT PROFESS IGNORANCE ABOUT CROP CONDITIONS, SUPPLIES
AND OTHER DATA ON CHINA'S AGRICULTURE.

NYT ITEM REPORTS GEORGE BUSH, WHO HAD EXPECTED TO
BE ON WAY BACK TO USLO MONDAY, IS IN GEORGETOWN
HOSPITAL INSTEAD, FOR COMPLETE MEDICAL EXAM; COULD
BE OUT TUESDAY.

NCUSCT WILL CO-SPONSOR ITS FIRST PACIFIC NW CONFERENCE
IN SEATTLE FEB 27, FEATURING EXPERTS ON TRADE WITH
PRC. ALL-DAY SESSION INTENDED TO ASSIST NW INDUSTRY
AND AGRICULTURE LEADERS PREPARE FOR POSSIBLE TRADE
INVOLVEMENT WITH CHINA. PORT OF SEATTLE AND ITS
TRADE DEVELOPMENT DEPT OTHER CO-SPONSOR. SCHEDULED
AMONG LEADING CONFERENCE SPEAKERS ARE PHILIP HABIB,
DWIGHT PERKINS, CHRISTOPHER PHILLIPS (JOC).

3. KOREA

SUN'S SEIDEN IN SEOUL REPORTS OPPOSITION LEADERS TOOK
LAST WEEK'S REFERENDUM ANNOUNCEMENT "LIKE AN UNEXPECTED
BLOW BELOW THE BELT" WHICH DEFUSED THEIR CAMPAIGN
AGAINST YUSHIN CONSTITUTION BY APPEARING TO PROVIDE
FAIR CHANCE TO TEST NATIONAL SENTIMENT AT POLLS. BUT
OPPOSITION RECOVERED QUICKLY, CHARGED REFERENDUM MERELY
PLOY TO LEGITIMIZE PARK'S HAND-TAILORED CONSTITUTION
AND CALLED FOR BOYCOTT OF VOTE. IN RESPONSE, GOVT
BANNED NEWS COVERAGE OF CALL FOR BOYCOTT, HARDLY HELPING
ITS OWN "TARNISHED DEMOCRATIC IMAGE." SEIDEN FINDS
RULES WHICH BAN REFERENDUM CAMPAIGN, PUBLIC DEBATE
OF ISSUES AND MEDIA COVERAGE OF OPPOSITION VIEWS
SEEM TO MAKE IT IMPOSSIBLE TO CONDUCT DEMOCRATIC
REFERENDUM ON FAMILIAR WESTERN PATTERN.
UNCLASSIFIED

PAGE 08 STATE 020202

PHINQ SAYS EVANGELIST SUN MYUNG MOON PLANS TO CONDUCT
MASS WEDDING OF 1,600 COUPLES IN SEOUL FEB 8, INCLUDING
70 FROM US, TOPPING OLD RECORD OF 777 COUPLES HE
MARRIED IN 1970.

4. JAPAN

GLOBE'S STORIN IN TOKYO (1/26) SAYS JAPAN'S FISHING INDUSTRY GRADUALLY CONCEDES INEVITABILITY OF 200-MILE ECONOMIC ZONE, BUT HOPES TO NEGOTIATE AGREEMENTS TO RETAIN TRADITIONAL FISHING RIGHTS. NOTES SHORTLY AFTER FISHERIES ASSN PRES TOLD PRESS JAPAN SHOULD CONCENTRATE ON NEGOTIATIONS WITH PRO-ZONE NATIONS TO GET BEST CONCESSIONS, FISHERIES AGENCY DIRECTOR O GET BEST CONCESSIONS, FISHERIES AGENCY DIRECTOR HASTILY CALLED JOINT PRESS CONFERENCE WITH HIM TO REITERATE JAPAN'S OFFICIAL OPPOSITION TO ECONOMIC ZONE IN GENEVA LOS CONFERENCE. BUT STORIN SEES THIS SIMPLY AS MATTER OF PR TECHNIQUE, SINCE DIRECTOR ALSO ENDORSED STRATEGY OF TRYING TO INFLUENCE FINAL SHAPE OF ECONOMIC ZONE CONCEPT.

JOC CITES USDA SPOKESMAN THAT JAPAN LIKELY TO REMAIN LEADING FARM MARKET FOR US THROUGH CURRENT FY; VALUE OF EXPORTS MAY EQUAL 3.4 BILLION DOL RECORD SET FY 74, BUT VOLUME WILL DIP 10 PERCENT, REFLECTING SLUMP IN US SHARE OF JAPANESE MARKET.

JOC'S MORISON NOTES US DISTRICT COURT DECISION THAT JAPAN LINE, NYK HAVE NOT VIOLATED LAW BY OFFERING THROUGH CONTAINER SERVICE FROM JAPAN TO CHICAGO; ICC EARLIER RULED BOTH FIRMS PERFORMING FREIGHT FORWARDER SERVICE WITHOUT AUTHORITY, IN VIOLATION ICC REGULATIONS.

SUN'S SEIDEN IN TOKYO SAYS EVEL KNIEVEL PLAN TO HURDLE MOUNT FUJI FOR 1.5 MILLION DOLS IS TYPICAL OF GROWING INTL PHENOMENON CALLED "GREAT RIP-OFF" OR "ORIENTAL GOLDRUSH," IN WHICH ONCE-FAMOUS GET BIG MONEY TO WORK IN JAPAN, INCLUDING ENTERTAINERS, MODELS, ATHLETES, UNCLASSIFIED

PAGE 09 STATE 020202

PROFESSORS, JOURNALISTS, ARTISTS AND EVEN ENGLISH TEACHERS. OBSERVERS EXPLAIN SALARIES MUST KEEP PACE WITH COST OF LIVING IN WORLD'S MOST EXPENSIVE CITY, BUT SEIDEN FINDS JAPANESE STILL EASILY IMPRESSED BY FAMOUS WESTERN NAMES, WHO DEMAND AND GET MORE MONEY THAN JAPANESE.

LAT'S MARTINEZ (IN PHINQ) FINDS ONODA STILL STOIC AT END OF TWO-WEEK NATIONWIDE TOUR TO SELL BOOK; QUOTES HIM SAYING AT ONE POINT, "I WOULD LIKE TO GO BACK TO THE JUNGLE."

5. THAILAND

MODERATE DP WINS 72 OF 269 SEATS IN NATIONAL ASSEMBLY ELECTED SUNDAY, EMERGES AS LIKELY CHOICE TO FORM COALITION GOVT. DP LEADER SENI PRAMOJ INTENDS TO EXCLUDE FROM COALITION ONLY MILITARY PARTIES WHICH SUPPORTED THANOM. SENI IS AMBASSADOR WHO REFUSED TO DELIVER THAI DECLARATION OF WAR AGAINST US IN 1941 (UPI, NYDN). LAWYER SENI, OF ROYAL BLOOD, SERVED AS PM BRIEFLY AFTER WW II; MAY ASK BROTHER KUKRIT, LEADER OF SOCIAL ACTION PARTY, TO HELP FORM COALITION. RIGHT WING SOCIAL JUSTICE PARTY LEADER DEFEATED, BUT IT PLACED SECOND, WITH 45 SEATS.

FRAGMENTED VOTE MEANS SENI MAY HAVE TO INCLUDE FIVE OR SIX SMALL PARTIES IN COALITION (UPI, CHITRIB).

WP SPECIAL (BANGKOK) CITES SENI INTENT TO WORK WITH TWO SOCIALIST PARTIES, AND NEW FORCE GROUPING OF ACADEMICS AND CIVIL SERVANTS. SOCIAL ACTION PARTY LED BY KUKRIT WON 19 SEATS, BUT SMOOTH COALITION DOUBTFUL BECAUSE SENI AND BROTHER TEND TO DISAGREE ABOUT POLITICS. NOTES DANGER OF SENI TRYING TO FORM COALITION WITHOUT BACKING OF ANY OF FOUR MILITARY PARTIES, WHICH TOGETHER WON 111 SEATS.

SAYS POLITICIANS FEEL WHATEVER GOVT EMERGES MAY NOT LAST, NEW ELECTIONS MAY BE CALLED IN SIX MONTHS.

CSM'S SOUTHERLAND IN BANGKOK SAYS ELECTIONS ENDED UNCLASSIFIED

PAGE 10 STATE 020202

INDECISIVELY, WITH MIDDLE-OF-ROAD PARTIES LEADING FIELD. NEW GOVT CAN ONLY BE FORMED BY COALITION, SHAPE OF WHICH DEPENDS ON BEHIND-SCENES BARGAINING. CLEAR THAT THANOM SUPPORTERS DID POORLY, AND DP AND SMALL LEFTIST PARTIES DID BETTER THAN EXPECTED. NOR WAS MONEY SURE WAY TO VICTORY, AS SEEN IN UPSET LOSS OF SJ PARTY LEADER, SELF-MILLIONAIRE TAVICH KLINPRATOOM. PERHAPS VOTERS FACED BY ARRAY OF PARTIES FELT COMFORTABLE VOTING FOR FAMILIAR DP, LED BY WELL-KNOWN SENI. STILL, NOT CLEAR DP CAN FORM VIABLE COALITION, LEADING SOUTHERLAND TO CONCLUDE FREE ELECTION DID NOT DISPEL ALL DOUBTS ABOUT DURABILITY OF THAILAND'S EXPERIMENT IN DEMOCRACY.

NYT'S BUTTERFIELD IN BANGKOK QUESTIONS WHETHER DP CAN FORM COALITION OF SMALL CENTRIST PARTIES. NEGOTIATIONS HAVE BEGUN BUT OUTCOME IN DOUBT SINCE PARTIES FAVORED BY SENI HOLD ONLY 101 SEATS, WHICH 34 SHORT OF NECESSARY MAJORITY OF 135. THAIS REMEMBER HOW MILITARY OUSTED SENI FROM PREMIERSHIP SHORTLY AFTER WWII, AND WONDER HOW STRONG HE MAY BE. ALSO NOTES SENI TELLING PRESS HE WOULD NOT SEEK TO CLOSE FOUR US AIRBASES IN THAILAND.

SUN'S ISAACS IN BANGKOK SAYS MODERATELY LEFT-OF-CENTER DP WON 72 SEAT PLURALITY, LIBERALS AND CONSERVATIVES ALMOST EVENLY BALANCED IN NEWLY-ELECTED ASSEMBLY. DP MAY TRY FORM MULTI-PARTY COALITION, BUT FOUR RIGHTIST, MILITARY PARTIES WHICH SENI WOULD EXCLUDE HOLD 108 SEATS. SOCIAL JUSTICE PARTY RAN SECOND, WINNING 45 SEATS. OBSERVES RISK INHERENT IN ELECTION WAS THAT NEW GOVT MIGHT HAVE "PERILOUSLY WEAK" HOLD ON POWER, LEADING TO INSTABILITY WHICH MIGHT TEMPT MILITARY STEP IN AGAIN.

6. PHILIPPINES

TROPICAL STORM OVER WEEKEND KILLED AT LEAST 30 PEOPLE BEFORE BLOWING ITSELF OUT OVER SOUTH CHINA SEA (AP, NYT).

WSJ COMMODITIES FEATURE SAYS WEEKEND TYPHOON DAMAGE, PICKUP IN WORLD MARKET PRODUCED MAXIMUM TWO CENT/POUND UNCLASSIFIED

PAGE 11 STATE 020202

INCREASE IN PHIL SUGAR FUTURES MONDAY.

7. BURMA

GUB DEVALUED 30 PERCENT AGAINST MAJOR WORLD CURRENCIES MONDAY, ACCORDING GUB SPOKESMAN (UPI, JOC).

8. MALAYSIA

WSJ (NY) SAYS CALTEX APPLIES TO PETRONAS TO BUILD 84,000 BBL/DAY REFINERY ON MALAYSIA'S WEST COAST, IN JOINT VENTURE WITH JAPANESE, MALAYSIANS.

COMMENT AND ANALYSIS

9. INDOCHINA

WP SAYS ALMOST NO ONE THINKS CONGRESS WILL GIVE ADMIN ENTIRE 300 MILLION BEING REQUESTED FOR SVN, AND FULL-BLOWN EXECUTIVE-CONGRESSIONAL CONFRONTATION IS IN MAKING. URGES CONGRESS USE OPENING POSED BY SUPPLEMENTAL TO MOVE VN AWAY FROM WAR. BELIEVES IT WOULD BE WRONG FOR CONGRESS TO IMPOSE ONE-SIDED C-F BY DENYING TO SOUTH VIETS ADEQUATE MEANS OF SELF-DEFENSE, BUT WOULD BE RIGHT FOR CONGRESS TO MAKE MORE ACTIVE EFFORT TO PROMOTE POLITICAL SETTLEMENT. NOTES AMEMBASSY SAIGON HAS TOLD JOURNALISTS IT IS TRYING TO PROMOTE COALITION, BUT WP FINDS NO "AUTHENTICATING SHRIEKS" FROM THIEU, WHO HAS REFUSED TO OBSERVE POLITICAL SECTIONS OF C-F. SAYS CONGRESS' PROPER COURSE WAS INDICATED BY LANGUAGE IN LAST FOREIGN AID LAW CALLING ON PRES TO WORK FOR C-F, FOR ARMS-SUPPLY CURB, AND FOR RECONVENED PARIS

CONFERENCE TO SEEK POLITICAL SETTLEMENT.

WP QUOTES ADMIN THAT OTHER SIDE IS TO BLAME FOR FAILURE, BUT POINTS OUT THIEU RESISTS SINCE HE FEARS POLITICAL COMPETITION, AND ADMIN HAS NOT DONE WHAT IT MIGHT TO INDUCE HIM TO ALTER POSITION. SAYS THOUGH WARNED NOT TO EXPECT MORE THAN 700 MILLION IN MIL AID, ADMIN SUPPLIED THIEU AT RATE THAT LET HIM IGNORE WARNING. ADMITS THIEU HAS MADE CERTAIN CONCESSIONS RECENTLY, UNCLASSIFIED

PAGE 12 STATE 020202

BUT THESE SEEM DESIGNED NOT TO IMPLEMENT C-F, BUT TO

SHOW CONGRESS HE ISN'T "UTTER TYRANT." COMMENTS THAT THIEU REMAINS ADEPT AT PUTTING WORST FOOT FORWARD, AS IN RECENT NEWS PHOTOS OF POLICE CLUBBING BUDDHIST DEMONSTRATORS.

WP BELIEVES CONGRESS STRONGLY TEMPTED TO CUT OFF FUNDS AND LET GVN FALL, OR GIVE SOME EXTRA WITHOUT ACCEPTING EXPLICIT RESPONSIBILITY FOR ENSUING POLITICAL RESULTS. MAINTAINS TRUE US INTEREST LIES IN PHASING OUT INVOLVEMENT IN WAY THAT GIVES GVN CHANCE FOR SURVIVAL ON ITS OWN WE PROMISED IN C-F. CONCLUDES THAT UNLESS ADMIN UTTERLY CYNICAL ABOUT VN AND READY TO LET THIEU GO AND THEN BLAME COLLAPSE ON CONGRESS, IT WILL ACCEPT PARTNERSHIP OF POLICY WITH HILL AND TAKE THIS APPROACH.

SUN'S CORDDRY SAYS "AUTHORITATIVE SOURCES" IN WASHINGTON INDICATE GVN COULD PROBABLY DEAL WITH COMMUNIST ATTACKS ON PRESENT SCALE WITHOUT INCREASED US AID DURING REST OF FY, BUT "MARGIN COULD BE VERY THIN." QUOTES ANALYSTS THAT SINCE DEC, NVA AND VC HAVE MADE NO APPRECIABLE GAINS IN TERMS OF POPULATION CONTROL OR ARABLE LAND; THEY HOLD NO MORE THAN 5-7 PCT OF PEOPLE AND LARGE AREAS THEY CONTROL ARE SO UNPRODUCTIVE THAT SUPPLIES MUST COME FROM NVN. NO SIGNIFICANT INROADS MADE IN STRATEGIC AREAS, BUT COST OF FIGHTING SINCE C-F HAS BEEN ABOUT 90,000 LIVES FOR NVN AND 50,000 FOR GVN, ACCORDING SOME EXPERTS. NOTES USG HAS HAD TO MAKE FINE CALCULATIONS WITH THIS YEAR'S ARMS AID TO GVN, DOLING OUT MATERIAL GINGERLY. SAYS PRES TAKES POSSIBILITY OF UPSET CALCULATIONS CAUSED BY POTENTIAL HEAVIER FIGHTING SO SERIOUSLY HE IS NOW WILLING GO TO "VERY BALKY" CONGRESS FOR 300 MILLION MORE. DOUBTS MONEY WILL BE GRANTED; BELIEVES PRES MUST MAKE REQUEST IN MOST URGENT TERMS, FOR ADMIN SEEKS TO MAKE STRONG POLITICAL CASE OVER NVN ALLEGED C-F VIOLATIONS AND CONSEQUENT AVOWED NEED TO BUTTRESS GVN. ANALYSTS SAY SUM SOUGHT WOULD INSURE SVN AGAINST CRITICAL ARMS SHORTAGES IN EVENT OF SHARP UPTURN IN FIGHTING THAT SOME ARGUE COULD ARISE IN MAY.

UNCLASSIFIED

PAGE 13 STATE 020202

CORDDRY QUOTES ANALYSTS THAT COMMUNIST 1975 OBJECTIVES ARE TO CAPTURE LAND AND POPULATION AND FORCE SVN FORCES TO USE UP ARMS AND OIL AT SUCH RATE THEY WOULD BE IN WEAKENED POSITION TO DEAL WITH FULL OFFENSIVE IN 1976. NOTES ONE REASONS FOR EXPECTING BIG OFFENSIVE NEXT YEAR AND NOT THIS IS THAT US PRESIDENTIAL YEARS HAVE BEEN FAVORITES FOR COMMUNIST OFFENSIVES. ALL-OUT ATTACK WOULD ALSO MEAN NVN HAS SCRAPPED C-F, BUT ANALYSTS BELIEVE THEY STILL FIND ACCORDS TOO USEFUL FOR THAT.

AUTHORITIES ALSO DOUBT HANOI THINKS TIME IS RIPE FOR MAJOR PUSH THIS YEAR, SINCE NORTHERN RECONSTRUCTION STILL SEEMS TO HAVE HIGH PRIORITY. ALSO, COMMUNISTS LACK SUFFICIENT MANPOWER IN SOUTH FOR OFFENSIVE TO HAVE CLEAR-CUT ADVANTAGE ANYWHERE. RECENT MOVEMENT OF NVA FORCES INTO HIGHLANDS HAS GIVEN RISE TO SPECULATION NEXT PUSH WILL BE THERE BUT, IF SO, IT APPARENTLY HAS HAD DELAYS. CORDDRY SAYS COMMUNISTS STILL TRYING TO BUILD UP POLITICAL AND GUERRILLA FORCES IN SVN TO 1965 LEVELS, BUT BY ACCOUNTS ARE NOT HAVING MUCH SUCCESS.

10. CHINA

SUN'S HENDERSON INTERVIEWED BALTIMORE NATIVE GERALD TANNEBAUM (1/24), WHO WENT TO CHINA WITH US ARMY IN 1945, CHOSE TO STAY 26 YEARS TO WITNESS REVOLUTION AND SUBSEQUENT UPHEAVAL. QUOTES HIM SAYING "FACT THAT ONE FOURTH OF HUMANITY HAS ENOUGH TO EAT IS ...OF TREMENDOUS HISTORICAL SIGNIFICANCE." TANNENBAUM SAYS CHINESE DIFFER FROM SOVIETS, TRY TO INVOLVE MANY MORE PEOPLE IN SEEKING SOLUTION; THUS, CHINESE FEEL LIVES ON UPSWING, GOVT WORKING FOR THEM. STILL, CHINESE THROTTLE DISSENTERS WITH "INCORRIGIBLE" LABEL BUT NOT PRISON. FOCUS ON CHAOS, HE TELLS, OBSCURES MORE LASTING PHENOMENON OF EDUCATION OF CHINESE PEOPLE. SINCE RETURN IN 1972, TANNEBAUM TEACHES, LECTURES; FINDS AMERICANS FEEL DECEIVED ABOUT CHINA AND THIRSTY TO KNOW "WHAT'S REALLY GOING ON."

11. JAPAN

UNCLASSIFIED

PAGE 14 STATE 020202

NOTING JAPAN MOST DEPENDENT OF MAJOR INDUSTRIAL NATIONS ON FOREIGN OIL, SUN FINDS IT "INSTRUCTIVE" TO EXAMINE EFFECT ON JAPAN OF LAST YEAR'S FOURFOLD OIL PRICE INCREASE. CITES GOJ FIGURES THAT SHOW COST OF OIL IMPORTS JUMPED FROM SIX BILLION DOLS IN 1973 TO 18.9 BILLION DOLS LAST YEAR, EVEN THOUGH

AUSTERITY MEASURES REDUCED IMPORT VOLUME BY 3.9 PERCENT. OBSERVES SUCH JUMP WOULD HAVE BEEN "DEVASTATING" TO JAPAN'S TRADE BALANCE, EXCEPT FOR FACT JAPANESE INDUSTRY MANAGED TO BOOST EXPORTS IMPRESSIVE 50 PERCENT AT SAME TIME IMPORT SPENDING CLIMBED 62 PERCENT. DESCRIBES THIS, IN ONE SENSE, AS RACE BETWEEN INFLATION RATES OF ONE KEY RAW MATERIAL AND THOSE OF VARIETY OF MANUFACTURED GOODS. BUT COMMENTS IT ALSO IS TEST OF PRODUCTIVITY, WHICH REMAINS BEST DEFENSE OF ALL INDUSTRIALIZED NATIONS AGAINST CHALLENGE OF OIL NATIONS.

12. GENERAL

WP'S DAN MORGAN (1/27) CALLS RICE "THE DIPLOMATIC CROP" SINCE 60 PERCENT EXPORTED, MORE THAN HALF ON FOOD FOR PEACE PROGRAM. SEES IRONY IN FACT SALE OF PL 480 RICE SUPPORTS GVN AND GKR MIL BUDGETS, ONCE HELPED ROKG PAY COST OF SENDING TROOPS TO SVN.

WITH LARGE STAKE IN SUBSIDIZED EXPORTS, BIG US SHIPPERS FORM POWERFUL LOBBY TO SUPPORT THEIR CONTINUATION; AND FRIEND OF PRES OF BIGGEST SHIPPER, CONNELL RICE AND SUGAR CO, IS KNOWN TO INDUSTRY AS MOST INFLUENTIAL LAWMAKER IN GETTING RICE ALLOCATED TO PROGRAM -- REP PASSMAN.

BY OWN ADMISSION PASSMAN, HELPS SELL RICE FOR CASH WHILE TOURING FOREIGN COUNTRIES. INDONESIAN OFFICIALS SAY HE OFFERED TO GET THEM PL 480 RICE IN 1973, AFTER GOI SIGNED CONTRACT TO BUY 110,000 TONS OF RICE FROM CONNELL. FORMER US FOOD AID PROGRAM OFFICIAL, WILLING TO SPEAK ON RECORD, SAID PASSMAN WOULD PHONE, ACCUSING HIS AGENCY OF "INTIMIDATION OF PRIVATE ENTERPRISE...BY NOT GOING ALONG WITH" RICE FIRMS' PRICES.

UNCLASSIFIED

PAGE 15 STATE 020202

BUT MORGAN SEES SIGNS PL 480 RICE TRADE FACES POLITICAL PROBLEMS IN CONGRESS, WHICH VOTED LIMITATION IN DECEMBER THAT COULD FORCE ADMIN TO DIVERT FOOD AID TO NEEDY NATIONS NOT ALLIED TO US MILITARILY. AND LAST WEEK SEN HATFIELD CRITICIZED ADMIN EFFORT TO EARMARK 107 MILLION DOL FOOD CREDITS - MOSTLY RICE - TO SVN, WHICH HARVESTED 7 MILLION RICE TON RICE CROP IN 1974, 300,000 TONS MORE THAN PREVIOUS YEAR. KISSINGER

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EA PRESS SUMMARY
Control Number: n/a
Copy: SINGLE
Draft Date: 28 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE020202
Document Source: ADS
Document Unique ID: 00
Drafter: EA/P:STAFF:PP
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D750032-0370
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750189/baaaagpc.tel
Line Count: 643
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 12
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 24 JAN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 JAN 2003 by RicharJA>; APPROVED <18 FEB 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: n/a
TAGS: PFOR, XC, US
To: ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS
TREAS
MOSCOW
BIEN HOA
CAN THO
DANANG

HONG KONG
NHA TRANG
JEC PARIS INFO USSAGE NKP
CINCPAC
COGARD
BUDAPEST BY POUCH
XMT SUVA

Type: TE

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006